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The Honorable Chair and Members of the Hawai'i Public Utilities Commission Kekuanaoa Building, First Floor 465 South King Street Honolulu, Hawai'i 96813

PUBLIC UTILITIES COMMISSION

#### Dear Commissioners:

Subject:

Hawai'i Electric Light Company, Inc.

Rebuild Agreement and PPA Negotiations with Puna Geothermal Venture

Quarterly Update

The Commission requested in its letter dated May 9, 2019 that Hawai'i Electric Light Company, Inc. ("Hawai'i Electric Light" or the "Company") keep the Commission updated quarterly, beginning on June 1, 2019, regarding the status of permits required for the Puna Geothermal Venture ("PGV") facility to come back online (including but not limited to those set forth in Exhibit D, PGV's Government Approvals, of Exhibit A (Rebuild Agreement) to the Company's March 8, 2019 letter) and status of negotiations of a restated PPA, and updated, as necessary, regarding any other relevant developments, until the Commission determines otherwise. In response to the Commission's letter, Hawai'i Electric Light respectfully submits its quarterly report.

#### Status of Permits

According to PGV, there is no change to the status of permits provided in Exhibit D, PGV's Government Approvals, of the Rebuild Agreement.

PGV provided the following information regarding various permits and routine reporting:

## County of Hawai'i

- Monitoring Stations are being processed by the Planning Department and the Department of Public Works
- · Grading and grubbing for the Substation area is active as bulldozing work continues

### Department of Land and Natural Resources

- · Workover permits for geothermal production wells KS-9, KS-14 & KS-16 are all active
- Applications for two new geothermal wells, a production well and an injection well, were submitted on March 1, 2019 as a standard operating procedure should additional wells be needed.

The Hawai'i Public Utilities Commission June 3, 2019 Page 2 of 2

Department of Health

· Routine reporting

Environmental Protection Agency

Routine reporting.

## Status of Negotiations of a Restated PPA

The Company had an initial meeting with PGV on May 17, 2019 regarding a restated PPA. The parties are actively negotiating pricing and terms with the intent to execute an amended and restated PPA no later than the end of 2019 for Commission review and approval.

# Status of Rebuilding of Transmission Lines

Please see the Company's May 20, 2019 letter to the Commission regarding the status of the rebuild effort. As noted in that letter, as a result of the Commission's directives in the May 9, 2019 letter, the Company immediately ceased work on the transmission lines.

Please contact Sharon Hirai at (808) 969-0428 should you have any questions regarding this matter.

Sincerely,

Kevin M. Katsura

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Director

Regulatory Non-Rate Proceedings

cc: Division of Consumer Advocacy